



# Downtown Redevelopment Authority

**Thursday, October 17, 2024**

**11:00am**

**City Hall**

Council Chambers

415 W 6<sup>th</sup> Street

Vancouver, WA 98660

## **AGENDA**

1. **Call to order** – President Robertson
  - a) Roll Call – Krista Liles
  - b) Excusal of Absence, if needed
2. **Approval of Minutes (July 18, 2024)** – President Robertson
3. **Approval of Claims and Admin Expenses** – Erin Jacobson
4. **Update on September Financials** – Erin Jacobson
5. **Capital Expenses update** – Natasha Ramras
6. **Executive Updates** – Natasha Ramras
  - a) Property Exchange
  - b) Water Mitigation Update
  - c) Audit Update
  - d) Recruitment Update
  - e) Other
7. **Asset Manager Report** – Bob Hayward, CHM Warnick
8. **Hotel Managers Report** – Alex Dawes, Hilton General Manager
9. **Executive Session, if needed** – Dan Lloyd

Community Communications: Commentary will be accepted no later than 24 hours prior to the meeting date. Please send all comments to Krista Liles at <mailto:krista.liles@cityofvancouver.us>.

## **Members**

**Jan Robertson**  
*President*

**Kathleen Kee**  
*Secretary/Treasurer*

Dyann Bernatz  
Tom Donovan  
Marc Fazio  
Brad Hutton

## **Staff Support**

**Natasha Ramras**  
*Executive Director*

**Dan Lloyd**  
*Assistant City Attorney*

**Erin Jacobson**  
*Principal Accountant*

**Krista Liles**  
*Senior Support Specialist*

## **Financial Management Services**

415 W 6<sup>th</sup> Street  
Vancouver, WA 98668  
360-487-8437, TTY: 711  
[cityofvancouver.us](http://cityofvancouver.us)

## **Microsoft Teams meeting:**

[Click here to join the meeting](#)  
Meeting ID: 276 836 630 547  
**Or call in (audio only)**

[+1 347-941-5324,149034727#](tel:+13479415324149034727)  
Phone Conference ID: 149 034 727#

**To request accommodation or other formats, please contact:**

Amanda Delapena | 360-487-8605 | TTY: 711 | [amanda.delapena@cityofvancouver.us](mailto:amanda.delapena@cityofvancouver.us)



# Downtown Redevelopment Authority

## Meeting Summary/Meeting Minutes

### Thursday, July 18

11:00am, City Hall  
415 W 6<sup>th</sup> Street  
Vancouver, WA 98660

#### **Board Members Present:**

Robertson, Kee, Fazio, Hutton

#### **Board Members Absent:**

Donovan, Bernatz

**Staff Present:** Ramras, Lloyd, Liles, Jacobson

**Guests:** Mike McLeod (outgoing Hilton GM), Alex Dawes (incoming Hilton GM), Andrew Dowie (Hilton), Bob Hayward (CHM Warnick)

## AGENDA

1. **Call to order** – Jan Robertson, President
  - a. Roll Call – Krista Liles, Support Staff
  - b. Excusal of Absence: Kee motioned; Hutton seconded.  
*Approved.*
2. **Approval: Meeting Minutes (4.18.24)** – Kee motioned; Fazio seconded.  
*Approved.*
3. **Approval: Claims and Administrative Expenses** – Fazio motioned; Kee seconded. *Approved as presented on pg. 5 of packet.*
4. **Update: June 2024 Financials** – Jacobson provided overview of financials.
5. **Approval: Capital Expenses** – Fazio motioned; Hutton seconded.  
*Approved as presented on pg. 17 of the packet.*
6. **Approval: Refunding of ACA Note** – Kee motioned; Fazio seconded.  
*Approved as presented on pg. 18 of the packet.*
7. **Executive Updates** – Natasha Ramras
  - a. Ankrom Moisan – water mitigation update

## Members

**Jan Robertson**

*President*

**Kathleen Kee**

*Secretary/Treasurer*

Dyann Bernatz

Tom Donovan

Marc Fazio

Brad Hutton

## Staff Support

**Natasha Ramras**

*Executive Director*

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**Krista Liles**

*Senior Support Specialist*

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Meeting ID: 228 630 260 918

**Or call in (audio only)**

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Phone Conference ID: 748 370 7#

**To request accommodation or other formats, please contact:**

Amanda Delapena | 360-487-8605 | TTY: 711 | [amanda.delapena@cityofvancouver.us](mailto:amanda.delapena@cityofvancouver.us)

- b. **Audit Update** – 2023 Audit & Financial Report – Ramras provided update of audit as presented on pg. 43.
  - c. **Audit Contract Approval** – Ramras explained the switch from TDJ to Rebecca Harder. *ACTION REQUIRED: update to include contact info for the contract. Hutton motioned; Fazio seconded. Approved as presented on pg. 67*
  - d. **O&M Committee** – Ramras presented the idea of sub-committee to focus on specific hotel operation and management issues. Discussion: Robertson and Fazio concurred that this committee would be helpful; Kee and Hutton agreed. Bernatz has already expressed interest.
  - e. **Other** – Performing Arts Center update – study findings suggest that current parcel is too small to move forward. Focus shifts now to extension of the Convention Center.
  - f. **Other** – DRA Recruitment – Ramras recommended waiting on filling Ewing’s vacancy until Oct/Nov so that a potential new member could fill a full- term appointment, rather than the remaining 1-2 months left by Ewing, only to have to start over again in 2025. Members agreed.
8. **Asset Manager Report** – Bob Hayward, CHM Warnick
  9. **Hotel Managers Report** – Mike Mcleod, Hilton General Manager
  10. **IBR Presentation** – Casey Liles, WSDOT/IBR – Liles, IBR Delivery Manager, provided an overview and update on the current Interstate Bridge Project that can be found online at: <https://www.interstatebridge.org>
  11. **Executive Session, if needed** – Dan Lloyd – N/A

Meeting adjourned at 12:31pm.

Approval:

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Jan Robertson, President Date

**VANCOUVER DOWNTOWN REDEVELOPMENT AUTHORITY VOUCHER AND ADMINISTRATIVE EXPENSE APPROVAL**

**Ratification of Claims Paid by Trustee**

We, the undersigned members of the Board of Directors of the Downtown Redevelopment Authority, do hereby certify that the merchandise or services hereinafter specified have been received and the vouchers listed below are hereby approved in the amounts of **\$4,772,089.42** this 17th day of October 2024.

**Approval of New Administrative Expenses**

Additionally, we, the undersigned members of the Board of Directors of the Downtown Redevelopment Authority, do hereby approve for payment Administrative Expense Fund expenses in the amount of **\$124,949.50** this 17th day of October 2024.

\_\_\_\_\_  
PRESIDENT

\_\_\_\_\_  
SECRETARY/TREASURER

\_\_\_\_\_  
Natasha Ramras, EXECUTIVE DIRECTOR

\_\_\_\_\_  
BOARDMEMBER

**DOWNTOWN REDEVELOPMENT AUTHORITY**

**Claims Paid July 2024 - September 2024**

Date	Supplier	Amount	Description	
11-Jul-2024	<b>City of Vancouver</b>	10,000.00	Administrative Services, Jun-24	
11-Jul-2024	<b>City of Vancouver</b>	9,755.29	Lot 24 Parking, Jun-24	
11-Jul-2024	<b>CHM Warnick</b>	11,527.02	Asset Mgmt Fees and Travel Expenses, Jun-24	
11-Jul-2024	<b>Rebecca Harder</b>	15,000.00	FY23 Hilton Financial Statement Audit	
01-Jul-2024	<b>Hilton Hotels</b>	45,847.58	Hilton Base Management Fee (Inv# 11578-1265421), Jun-24	
01-Jul-2024		13,654.62	Hilton Subordinate Management Fee (Inv# 11578-1265421), Jun-24	
05-Jul-2024		249,305.55	OPCA 2425 - AP	
16-Jul-2024		291,658.75	OPCA 2426 - Payroll	
16-Jul-2024		190,831.16	OPCA 2427 - AP	
22-Jul-2024		170,844.54	OPCA 2428 - Intercompany	
22-Jul-2024		60,362.04	OPCA 2429 - AP	
29-Jul-2024		273,944.04	OPCA 2430 - Payroll	
29-Jul-2024		43,367.71	OPCA 2431 - AP	
29-Jul-2024		220,491.65	OPCA 2432 - Sales & Use Tax True Up	
31-Jul-2024		23,708.33	OPCA 2434 - Month End True Up	
06-Aug-2024		<b>City of Vancouver</b>	10,000.00	Administrative Services, Jul-24
06-Aug-2024		<b>City of Vancouver</b>	719.57	Reimbursement for supply and advertising expenses, 2/1 - 6/1/2024
06-Aug-2024		<b>City of Vancouver</b>	9,755.29	Lot 24 Parking, Jul-24
06-Aug-2024	<b>CHM Warnick</b>	11,527.02	Asset Mgmt Fees, Jul-24	
06-Aug-2024	<b>BLX Group LLC</b>	1,250.00	Interim Arbitrage Rebate Report - Sales Tax & Lodging Tax, Period Ending 6/26/2024	
06-Aug-2024	<b>BLX Group LLC</b>	1,250.00	Interim Arbitrage Rebate Report - City Debt Service Guaranty, Period Ending 6/26/2024	
06-Aug-2024	<b>US Bank</b>	1,350.00	Q2 Bank Admin Fees, 4/1 - 6/30/2024	
06-Aug-2024	<b>SAO</b>	3,407.95	FY23 Financial Audit, May-24	
01-Aug-2024	<b>Hilton Hotels</b>	45,847.58	Hilton Base Management Fee (Inv# 11578-1268158), Jul-24	
01-Aug-2024		13,654.62	Hilton Subordinate Management Fee (Inv# 11578-1268158), Jul-24	
05-Aug-2024		232,073.86	OPCA 2433 - AP	
12-Aug-2024		283,928.77	OPCA 2435 - Payroll	
12-Aug-2024		195,959.78	OPCA 2436 - AP	
16-Aug-2024		142,358.50	OPCA 2437 - Intercompany	
16-Aug-2024		89,581.13	OPCA 2438 - AP	
26-Aug-2024		273,676.31	OPCA 2440 - Payroll	
26-Aug-2024		55,300.69	OPCA 2439 - AP	
27-Aug-2024		181,697.01	OPCA 2441 - Sales & Use Tax True Up	
30-Aug-2024		86,968.30	OPCA 2442 - AP	
30-Aug-2024		29,892.32	OPCA 2443 - Month End True Up	
10-Sep-2024		<b>City of Vancouver</b>	10,000.00	Administrative Services, Aug-24
10-Sep-2024		<b>City of Vancouver</b>	175.51	Reimbursement for supply expenses, Aug-24
10-Sep-2024	<b>City of Vancouver</b>	9,755.29	Lot 24 Parking, Aug-24	
10-Sep-2024	<b>CHM Warnick</b>	12,493.74	Asset Mgmt Fees, Aug-24	
10-Sep-2024	<b>SAO</b>	6,982.82	FY23 Financial Audit, Jul-24	
01-Sep-2024	<b>Hilton Hotels</b>	45,847.58	Hilton Base Management Fee (Inv# 11578-1271130), Aug-24	
01-Sep-2024		13,654.62	Hilton Subordinate Management Fee (Inv# 11578-1271130), Aug-24	
09-Sep-2024		189,954.18	OPCA 2444 - AP	
09-Sep-2024		277,913.54	OPCA 2445 - Payroll	
16-Sep-2024		147,295.35	OPCA 2446 - AP	
23-Sep-2024		110,267.83	OPCA 2447 - AP	
23-Sep-2024		285,894.40	OPCA 2448 - Payroll	
26-Sep-2024		170,659.29	OPCA 2449 - Sales & Use Tax True Up	
30-Sep-2024		35,816.34	OPCA 2450 - AP	
30-Sep-2024		130,052.61	OPCA 2451 - Intercompany	
30-Sep-2024		24,829.34	OPCA 2452 - Month End True Up	
<b>Total</b>		<b>4,772,089.42</b>		

\$ 124,949.50

Highlighted items reflect the total Administrative Expense amount on the Approval Request

**FORM OF ADMINISTRATIVE EXPENSE FUND REQUISITION**

**ADMINISTRATIVE EXPENSE FUND (156002)**

(204969002)


REQUEST NO. 263

This request is being delivered to U.S. Bank National Association, as trustee (the "Trustee") under the Amended and Restated Trust Indenture, dated as of June 1, 2013 and effective June 27, 2013, amending and restating the Trust Indenture, dated as of December 1, 2003 (collectively, the "Indenture"), between the Downtown Redevelopment Authority (the "Authority") and the Trustee pursuant to Section [6(a)] of the Cash Management and Lockbox Agreement (the "Cash Management Agreement") among the Depository Bank, the Trustee, the Authority and Hilton Management, LLC (the "Manager"). The Trustee is hereby directed to take the action described herein. Capitalized terms used herein and not otherwise defined shall have the meanings ascribed to them in the Indenture or the Cash Management Agreement.

Pursuant to Section [6(a)] of the Cash Management Agreement and Section 5.15 of the Indenture, you are hereby authorized and directed to disburse from the Administrative Fee Fund the amounts set forth in Exhibit A attached hereto to the persons named therein in payment of administrative expenses and fees related to the administration of Bonds and the Project, including fees and expenses of any Consultant and the expenses of the Authority. The Authority hereby certifies that (1) such amounts are for the purposes set forth in Exhibit A, (2) each such amount constitutes a proper charge against said fund, and (3) no part of any such amounts shall be applied to any item which has been previously paid from said fund. The total amount to be disbursed pursuant to this request is \$46,282.31

Date: June 30, 2024

DOWNTOWN REDEVELOPMENT AUTHORITY

By:  483E940414AE48D...

Name: Natasha Ramras

Title: Auditing Officer

**FORM OF ADMINISTRATIVE EXPENSE FUND REQUISITION**

**ADMINISTRATIVE EXPENSE FUND (156002)**

(204969002)

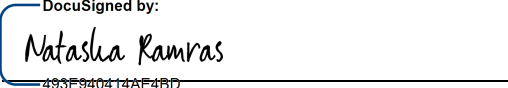
REQUEST NO. **264**

This request is being delivered to U.S. Bank National Association, as trustee (the “Trustee”) under the Amended and Restated Trust Indenture, dated as of June 1, 2013 and effective June 27, 2013, amending and restating the Trust Indenture, dated as of December 1, 2003 (collectively, the “Indenture”), between the Downtown Redevelopment Authority (the “Authority”) and the Trustee pursuant to Section [6(a)] of the Cash Management and Lockbox Agreement (the “Cash Management Agreement”) among the Depository Bank, the Trustee, the Authority and Hilton Management, LLC (the “Manager”). The Trustee is hereby directed to take the action described herein. Capitalized terms used herein and not otherwise defined shall have the meanings ascribed to them in the Indenture or the Cash Management Agreement.

Pursuant to Section [6(a)] of the Cash Management Agreement and Section 5.15 of the Indenture, you are hereby authorized and directed to disburse from the Administrative Fee Fund the amounts set forth in Exhibit A attached hereto to the persons named therein in payment of administrative expenses and fees related to the administration of Bonds and the Project, including fees and expenses of any Consultant and the expenses of the Authority. The Authority hereby certifies that (1) such amounts are for the purposes set forth in Exhibit A, (2) each such amount constitutes a proper charge against said fund, and (3) no part of any such amounts shall be applied to any item which has been previously paid from said fund. The total amount to be disbursed pursuant to this request is **\$39,259.83**

Date: July 31, 2024

DOWNTOWN REDEVELOPMENT AUTHORITY

By:  493E940414AE4BD...

Name: Natasha Ramras

Title: Auditing Officer

**FORM OF ADMINISTRATIVE EXPENSE FUND REQUISITION**

**ADMINISTRATIVE EXPENSE FUND (156002)**

(204969002)

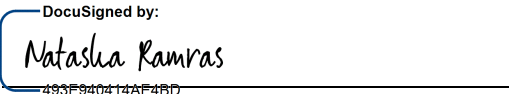
REQUEST NO. **265**

This request is being delivered to U.S. Bank National Association, as trustee (the “Trustee”) under the Amended and Restated Trust Indenture, dated as of June 1, 2013 and effective June 27, 2013, amending and restating the Trust Indenture, dated as of December 1, 2003 (collectively, the “Indenture”), between the Downtown Redevelopment Authority (the “Authority”) and the Trustee pursuant to Section [6(a)] of the Cash Management and Lockbox Agreement (the “Cash Management Agreement”) among the Depository Bank, the Trustee, the Authority and Hilton Management, LLC (the “Manager”). The Trustee is hereby directed to take the action described herein. Capitalized terms used herein and not otherwise defined shall have the meanings ascribed to them in the Indenture or the Cash Management Agreement.

Pursuant to Section [6(a)] of the Cash Management Agreement and Section 5.15 of the Indenture, you are hereby authorized and directed to disburse from the Administrative Fee Fund the amounts set forth in Exhibit A attached hereto to the persons named therein in payment of administrative expenses and fees related to the administration of Bonds and the Project, including fees and expenses of any Consultant and the expenses of the Authority. The Authority hereby certifies that (1) such amounts are for the purposes set forth in Exhibit A, (2) each such amount constitutes a proper charge against said fund, and (3) no part of any such amounts shall be applied to any item which has been previously paid from said fund. The total amount to be disbursed pursuant to this request is **\$39,407.36**

Date: August 31, 2024

DOWNTOWN REDEVELOPMENT AUTHORITY

By:  493E940414AE4BD...

Name: Natasha Ramras

Title: Auditing Officer



Downtown Redevelopment Authority  
Narrative Overview of September 2024 Financial Statements

**STATEMENT OF NET POSITION**

- The DRA's net position has increased by approximately \$3.80 million from year end 2023. This is due in large part to the following:
  - Total assets decreased by \$1.61 million largely due to cash outlay to pay for the January 1st and July 1st bond payments, the PFD loan payments, and the ACA Note payoff.
  - Total liabilities have decreased by \$5.46 million from year end reflecting a \$2.53 million reduction in bond principal, \$727k reduction in PFD principal, and \$1.43 million reduction in ACA Note principal.
- On September 12th, the Clark County PFD loan was paid off, representing a decrease of \$727k principal owed from year end 2023.

**STATEMENT OF REVENUES EXPENSES AND CHANGES IN NET POSITION**

- Operations in September resulted in cumulative operating income of \$1.99 million, which is \$178k more than the budgeted Operating Income of \$1.81 million.
  - Depreciation, an Operating Expense which has no effect on cash, totaled \$1.18 million in September 2024.
- Year-over-year investment earnings are up \$85k. This increase is attributed to higher cash balances earning interest at increasing rates.

**STATEMENT OF CASH FLOWS**

- Overall cash reflects a decrease of \$582k compared to year end 2023.
  - Notable sources of cash for the year included \$16.59 million from operating activities and \$4.52 million in tax receipts from the City and County PFD.
  - Notable uses of cash included \$13.44 million for goods and services related to operating activities and debt service payments of \$6.67 million.

**TAX REVENUE COLLECTIONS**

- Through September 2024, tax revenue collections are at 155.9% of the Tax Cap compared to 157.6% for the prior year.
  - The annual tax cap increased \$74k from 2023 to 2024.
- Per the Interlocal Agreement, once the Tax Cap is met, tax revenues are to be applied toward the Clark County PFD, until the loan is paid off.
- The Tax Cap was met 6/10/2024, with a total of \$1,513,423.47 in excess revenues paid to Clark Co. PFD.
  - The Clark Co. PFD loan was paid off on September 12th.
- Per the Interlocal Agreement, once the Clark Co. PFD loan is paid off, any excess revenues will be paid to City PFD.
- As of September 2024, a total of \$107,022.31 has been paid to City PFD.
- As of September 2024, overall tax collections are up \$66k compared to September 2023. Receipts of City Lodging Tax, City PFD STC and County PTD STC are up 1.8%, flat, and up 3.0%, respectively.

**FLOW OF FUNDS**

- On October 1, 2024, \$429k of cash was transferred from the Lockbox Fund to the Project Revenue Debt Service Fund. This transfer resulted from cash flows in excess of operating expenses during the month.
- With the October 1, 2024 Flow of Funds transfer there are sufficient cash balances in both the Project Revenue Debt Service Fund and Tax Revenue Debt Service Fund to pay each debt service payment due January 1, 2025 (principal + interest).

Vancouver Downtown Redevelopment Authority  
Condensed Report on Financial Activity through September 30, 2024

Revenue & Expense	Year to Date		Actual \$ Change	Actual % Change	Budget through	Actual-Budget	Actual as % of Annual	
	September 2024 Actual	September 2023 Actual	(2023 - 2024)	(2023 - 2024)	September 2024	Comparison	2024 Annual Budget	Budget
Total Operating Revenue	\$ 16,082,312	\$ 14,672,864	\$ 1,409,448	9.6%	\$ 15,679,330	\$ 402,982	\$ 23,922,528	67.2%
Total Operating Expense	(14,090,439)	(12,679,069)	(1,411,370)	11.1%	(13,865,713)	(224,726)	(16,618,669)	84.8%
<b>Net Operating Income</b>	<b>1,991,873</b>	<b>1,993,795</b>	<b>(1,922)</b>	<b>-0.1%</b>	<b>1,813,617</b>	<b>178,256</b>	<b>7,303,859</b>	<b>27.3%</b>
Non-Operating/Special/Prior Period Adj (*)	1,809,635	1,650,440	159,195	9.6%	542,486	1,267,149	1,939,613	93.3%
<b>Change in Net Position</b>	<b>\$ 3,801,508</b>	<b>\$ 3,644,235</b>	<b>\$ 157,273</b>	<b>4.3%</b>	<b>\$ 2,356,103</b>	<b>\$ 1,445,405</b>	<b>\$ 9,243,472</b>	<b>41.1%</b>
Depreciation (In Operating Expense) (*)	\$ 1,178,454	\$ 1,095,494	\$ 82,960	7.6%	\$ 1,837,500	\$ (659,046)	\$ 2,520,000	46.8%

Refers to items not directly associated with operations. These items include interest earned, city tax collections, excise tax payments and interest accrued. Items are listed separately under "Non-operating revenues/expenses and special items in the DRA's operating statement."

Dedicated Taxes	Year to Date		Actual \$ Change	Actual % Change
	September 2024 Actual	September 2023 Actual	(2023 - 2024)	(2023 - 2024)
City Lodging Tax (2%)	\$ 1,293,105	\$ 1,270,119	\$ 22,986	1.8%
City Sales Tax Credit	1,735,161	1,735,433	(272)	0.0%
County Sales Tax Credit	1,492,180	1,448,587	43,593	3.0%
<b>Total Tax Revenue</b>	<b>\$ 4,520,446</b>	<b>\$ 4,454,139</b>	<b>\$ 66,307</b>	<b>1.5%</b>
Annual Tax Revenue Cap	\$ 2,900,000	\$ 2,826,000	\$ 74,000	2.6%
% of Cap	155.9%	157.6%		

Capital Projects	Year to Date	
	September 2024 Actual	2024 Budgeted
Capital Project Expenses	\$ 293,512	\$ 982,940

Cash Balance Reconciliation	Year to Date		Monthly	September 2023 Actual	Required Amounts (12/31/2024)	% of Required Amounts (12/31/2024)	Estimated Balances 12/31/2024	Projected Waterfall after Jan-25 Debt Pmt
	Ending Balances after Flow of Funds	Beginning Balances after Flow of Funds	Fund Balance Change					
Operating Petty Cash	\$ 47,575	\$ 137,226	\$ (89,651)	\$ 56,105	\$ -	N/A	\$ 50,000	\$ 50,000
Lockbox/Available Revenue Fund	545,848	545,848	-	542,922	500,000	109.2%	545,848	545,848
Taxes & Insurance Fund	206,127	191,127	15,000	93,167	152,362	135.3%	-	200,000
Administrative Expense Fund	82,973	89,407	(6,434)	126,090	50,000	165.9%	50,000	50,000
Project Revenue Debt Service Fund	3,101,385	2,672,569	428,815	3,842,195	1,882,556	164.7%	4,001,385	-
Tax Revenue Debt Service Fund	2,716,675	2,716,675	-	2,613,575	1,748,325	155.4%	2,716,675	-
Primary R & R Fund	393,172	398,668	(5,495)	-	-	N/A	-	840,000
Contingency Fund	1,850,000	1,850,000	-	1,439,641	2,000,000	92.5%	1,665,000	2,000,000
Management Fee Fund	54,647	68,302	(13,655)	-	-	N/A	-	169,759
Subordinate R & R Fund	198,545	198,545	-	-	-	N/A	-	210,000
Cash Trap Fund	2,500,000	2,500,000	-	2,500,000	-	N/A	2,500,000	2,500,000
Authority Reserve Fund - Excess	3,210,421	3,210,421	-	3,330,593	-	N/A	3,210,421	4,542,840
Authority Reserve Fund - Restricted	500,000	500,000	-	500,000	-	N/A	500,000	500,000
<b>Total Escrow Fund Cash Balances</b>	<b>\$ 15,407,368</b>	<b>\$ 15,078,788</b>	<b>\$ 328,580</b>	<b>\$ 15,044,288</b>	<b>\$ 6,333,244</b>		<b>\$ 15,239,329</b>	<b>\$ 11,608,447</b>
County PFD Fund - Loan Balance **	-	(286,049)		(1,849,824)				

Comments

- On October 1, 2024, the DRA transferred \$429k of excess cash to the Project Revenue Debt Service Fund. This transfer resulted from better than expected cash inflows during the month.
- With the October 1, 2024 Flow of Funds transfer, there are sufficient cash balances in each the DRA's Project Revenue Debt Service Fund and Tax Revenue Debt Service Fund needed to pay each of the January 1, 2025 debt service payments (principal
- Excluding depreciation, the DRA has realized an increase of Net Position totaling \$4.98 million which is \$786k more than the cumulative budgeted increase in Net Position of \$4.19 million. \*Depreciation has no effect on cash in the current period\*
- \*\* The Annual Tax Cap was met 6/10/2024. Total of \$1,513,423.47 in excess revenues has been applied toward the Clark County PFD loan balance, and is included above.
- The Clark County PFD Loan was paid off 9/12/2024. From this point forward, any excess revenues will be paid to City PFD, per the Interlocal Agreement. Total of \$107,022.31 in excess revenues has been paid to City PFD.

**Downtown Redevelopment Authority**  
**(A Component Unit of the City of Vancouver)**

Statement of Net Position

Substantially all Disclosures Required by GAAP are omitted.

As of September 30, 2024 and December 31, 2023

	9/30/2024	Audited 12/31/2023	Change from Prior Year-End	% Change
<b>ASSETS</b>				
Current assets				
Cash and cash equivalents	96,927	94,633	2,294	2.4%
Restricted cash with fiscal/escrow agent	15,407,368	15,992,051	(584,683)	(3.7%)
Receivables (net)				
Taxes	1,498,934	1,498,934	0	0.0%
Accounts	1,317,753	1,402,691	(84,938)	(6.1%)
Interest	59,815	66,513	(6,698)	(10.1%)
Inventory	50,054	49,290	764	1.6%
Prepaid expenses	306,120	324,727	(18,607)	(5.7%)
Total current assets	18,736,971	19,428,839	(691,868)	(3.6%)
Noncurrent assets				
Capital assets				
Buildings and equipment	60,602,907	60,343,645	259,262	0.4%
Accumulated depreciation	(31,035,264)	(29,856,810)	(1,178,454)	3.9%
Total noncurrent assets	29,567,643	30,486,835	(919,192)	(3.0%)
<b>TOTAL ASSETS</b>	<b>48,304,614</b>	<b>49,915,674</b>	<b>(1,611,060)</b>	<b>(3.2%)</b>
DEFERRED OUTFLOWS OF RESOURCES				
Unamortized deferred amount on refunding	643,266	695,423	(52,157)	(7.5%)
LIABILITIES				
Current liabilities				
Accounts payable	162,335	152,737	9,598	6.3%
Accrued interest payable	472,941	1,001,731	(528,790)	(52.8%)
Accrued liabilities	1,220,584	1,777,439	(556,855)	(31.3%)
Unearned revenue	1,521,836	1,098,155	423,681	38.6%
Bonds, notes and leases payable	2,685,000	2,554,304	130,696	5.1%
Total current liabilities	6,062,696	6,584,366	(521,670)	(7.9%)
Noncurrent liabilities				
Bonds, notes and leases payable from restricted assets	40,879,524	44,987,753	(4,108,229)	(9.1%)
Due to other governments	404,118	1,238,946	(834,828)	(67.4%)
Total noncurrent liabilities	41,283,642	46,226,699	(4,943,057)	(0.3%)
<b>TOTAL LIABILITIES</b>	<b>47,346,338</b>	<b>52,811,065</b>	<b>(5,464,727)</b>	<b>(10.3%)</b>
NET POSITION				
Net investment in capital assets	(13,353,615)	(16,359,799)	3,006,184	(18.4%)
Restricted for capital purposes	591,717	-	591,717	100.0%
Restricted for debt service	5,389,244	7,007,151	(1,617,906)	(23.1%)
Unrestricted	8,974,196	7,152,680	1,821,516	25.5%
<b>TOTAL NET POSITION</b>	<b>1,601,542</b>	<b>(2,199,968)</b>	<b>3,801,510</b>	<b>(172.8%)</b>

**Downtown Redevelopment Authority**  
**(A Component Unit of the City of Vancouver)**

Statement of Revenues Expenses and Changes in Net Position  
Substantially all Disclosures Required by GAAP are omitted.  
For the months ended September 30, 2024 and 2023

	Actuals				Budget		
	Nine months ending September 30, 2024	Nine months ending September 30, 2023	\$ Change	% Change	YTD Budget	Variance to Budget Favorable/ (Unfavorable)	%
<b>OPERATING REVENUES</b>							
Charges for services	16,082,312	14,672,864	1,409,448	9.6%	15,679,330	402,982	2.6%
Miscellaneous	-	-	-		-	-	
<b>Total operating revenues</b>	<b>16,082,312</b>	<b>14,672,864</b>	<b>1,409,448</b>	<b>9.6%</b>	<b>15,679,330</b>	<b>402,982</b>	<b>2.6%</b>
<b>OPERATING EXPENSES</b>							
Supplies and contractual services	12,911,985	11,583,575	1,328,410	11.5%	12,028,213	(883,772)	-7.3%
Depreciation	1,178,454	1,095,494	82,960	7.6%	1,837,500	659,046	35.9%
Total operating expenses	14,090,439	12,679,069	1,411,370	11.1%	13,865,713	(224,726)	-1.6%
Operating income (loss)	1,991,873	1,993,795	(1,922)		1,813,617	178,256	-9.8%
<b>NONOPERATING REVENUES (EXPENSES)</b>							
Interest earnings	536,454	451,794	84,660	18.7%	7,500	528,954	7052.7%
Intergovernmental contributions	3,028,266	3,005,552	22,714	0.8%	2,175,000	853,266	39.2%
Excise Tax	(244,071)	(220,527)	(23,544)	10.7%	(230,305)	(13,766)	6.0%
Interest and fiscal charges	(1,511,014)	(1,640,285)	129,271	7.9%	(1,409,709)	(101,305)	7.2%
<b>Total nonoperating revenues (expenses)</b>	<b>1,809,635</b>	<b>1,596,534</b>	<b>213,101</b>	<b>-13.3%</b>	<b>542,486</b>	<b>1,267,149</b>	<b>-233.6%</b>
<b>SPECIAL ITEMS</b>							
Gain on extinguishment of Debt	-	53,906	(53,906)		-	-	
Claims Settlement	-	-	-		-	-	
Total special items	-	53,906	(53,906)		-	-	
<b>Change in net position</b>	<b>3,801,508</b>	<b>3,644,235</b>	<b>157,273</b>	<b>-4.3%</b>	<b>2,356,103</b>	<b>1,445,405</b>	<b>-61.3%</b>
TOTAL NET ASSETS - BEGINNING	(2,199,968)	(6,199,041)	3,999,073	64.5%			
Prior Period Adjustment		-	-				
<b>TOTAL NET ASSETS - ENDING</b>	<b>1,601,540</b>	<b>(2,554,806)</b>	<b>4,156,346</b>	<b>162.7%</b>			

**Downtown Redevelopment Authority**  
**(A Component Unit of the City of Vancouver)**  
STATEMENT OF CASH FLOWS  
For the month ended September 30, 2024

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<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Cash received from operating activities	\$ 16,590,931
Cash payments for goods and services	(13,441,399)
Net cash provided (used) by operating activities	<u>3,149,532</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>	
Receipts from other governments	4,520,446
Payments to other governments	(1,864,517)
Net cash provided (used) by noncapital financing activities	<u>2,655,929</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>	
Principal paid on capital debt	(4,682,059)
Interest paid on capital debt	(1,989,683)
Purchase of capital assets	(259,262)
Net cash provided (used) by capital and related financing activities	<u>(6,931,004)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	
Receipt of interest	543,152
Net cash provided (used) by investing activities	<u>543,152</u>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	(582,391)
<b>CASH AND CASH EQUIVALENTS - BEGINNING</b>	16,086,684
<b>CASH AND CASH EQUIVALENTS - ENDING</b>	<u>\$ <u>15,504,293</u></u>
<b>Reconciliation of operating income (loss) to net cash used by operating activities:</b>	
Net operating income (loss)	\$ 1,991,873
Adjustments to reconcile net operating income (loss) to net cash provided by operations:	
Depreciation expense	1,178,454
(Increase) Decrease in receivables	84,938
(Increase) Decrease in inventories	(764)
(Increase) Decrease in prepaid items	18,607
Increase (Decrease) in current payables	(547,257)
Increase (Decrease) in unearned revenue	423,681
Total adjustments	<u>1,157,659</u>
Net cash provided (used) by operating activities	<u>\$ 3,149,532</u>

**Flow of Funds and Operating Cash Pursuant to Trust Indenture  
Financial Statement Period September 2024**

	<b>Account name</b>	<b>Beginning Balances (9/1/2024)</b>	<b>Ending Balances (9/30/2024)</b>	<b>October 1st, flow of funds deposits, use of Cash Trap, and management fee payment</b>	<b>Cash balances after monthly flow of funds</b>	<b>Amounts Required 7/1 through 12/31/2024</b>	<b>Excess / (Deficit) through 12/31/2024</b>	<b>Requirement Description</b>
1	Operating Petty Cash Account	137,226	47,575	-	47,575	-	47,575	Remaining balance intended to cover automatically deducted banking/merchant charges.
2	Available Revenue Account & Lockbox Account	955,601	1,022,636	(476,788)	545,848	500,000	45,848	Must have \$500,000 balance as of 1st business day. <b><u>Amount in cash balance after flow of funds includes Hilton management fee of \$45,847.58 which is withdrawn the 1st of every month separately.</u></b>
3	Taxes and Insurance Fund	176,127	191,127	15,000	206,127	152,362	53,765	Cash to be moved as needed to meet estimated renewal due in 2024 = \$265k total (2024 budget for 3 policies: Property & Terrorism = \$113k, July; Public Officials = \$21k, Oct; Casualty & Crime = \$131k, December). Actual for Property & Terrorism = \$139k (23.3% increase), paid Aug-24.
4	Administrative Expense Fund	50,000	50,000	32,973	82,973	50,000	32,973	Amounts required represent average monthly amount for known and budgeted Administrative Expenses remaining (not yet paid). Any excess balance will be applied to future administrative expenses.
5	Project Revenue Debt Service Fund	2,317,224	2,672,569	428,815	3,101,385	1,882,556	1,218,828	Amounts required through 12/31/2024 represent debt service payments scheduled for <b>January 1, 2025 (principal + interest).</b>
6	Tax Revenue Debt Service Fund	2,716,675	2,716,675	-	2,716,675	1,748,325	968,350	Amounts required through 12/31/2024 represent debt service payments scheduled for <b>January 1, 2025 (principal + interest).</b>
7	Renewal and Replacement Fund	398,668	393,172	-	393,172	-	393,172	Monthly calculation of 4% of gross operating revenues. Funds flow annual only to the extent that there is combined excess of Funds in #5 and #6 above. Funds are transferred from Contingency as needed.
8	Contingency Fund	1,850,000	1,850,000	-	1,850,000	-	1,850,000	Amounts flow annually into this Fund, up to the requirement only and only to the extent there is excess available beyond the requirements of Funds #5 through #7, above. Once requirement is met amounts flow below this point.
9	Management Fee Fund	68,302	54,647	-	54,647	-	54,647	Beginning in calendar year 2016, pursuant to the Amended and Restated Project Operating agreement, the subordinate component of the management fee becomes due on the first of every month. <b><u>Excess cash balance is to cover Subordinate Management Fees through 12/31/2024.</u></b>
10	Subordinate Renewal and Replacement Fund	198,545	198,545	-	198,545	-	198,545	Monthly calculation of 1% of gross operating revenues. Funds flow annual to satisfy the deficit calculation only and only to the extent that there is combined excess in Funds described in #5 through #9, above. Once the requirement is met amounts flow below this point. Funds are transferred from Contingency as needed.
11	Cash Trap Fund	2,500,000	2,500,000	-	2,500,000	-	-	Funds flow annual only to the extent that there is combined excess in Funds described in #5 through #10, above. Once the requirement is met amounts flow below this point.
12	Authority Revenue Fund	3,210,421	3,210,421	-	3,210,421	-	-	Funds flow annual only to the extent that there is combined excess in Funds described in #5 through #11, above. Once the requirement is met amounts flow below this point.
13a	Authority Revenue Fund - RESTRICTED	500,000	500,000	-	500,000	-	-	Funds flow annual only to the extent that there is combined excess in Funds described in #5 through #12, above. Amounts in the Excess Revenue Fund in each calendar year shall be applied as follows: (i) 50% of such amounts shall be deposited in the Authority Reserve Fund; and (ii) 50% of such amounts shall be paid by the Trustee to the County PFD in accordance with the County Interlocal Agreement.
	<b>Totals</b>	<b>15,078,788</b>	<b>15,407,368</b>	<b>-</b>	<b>15,407,368</b>	<b>4,333,244</b>	<b>4,863,703</b>	
13b	County PFD Fund	-	-	-	-	-	-	Funds flow annual only to the extent that there is combined excess in Funds described in #5 through #12, above. Amounts in the Excess Revenue Fund in each calendar year shall be applied as follows: (i) 50% of such amounts shall be deposited in the Authority Reserve Fund; and (ii) 50% of such amounts shall be paid by the Trustee to the County PFD in accordance with the County Interlocal Agreement.
	County PFD Loan, Outstanding Principal Balance	(286,049)	-	-	-	-	-	Represents the outstanding loan balance owed to the Clark County PFD as of month end. <b><u>The Annual Tax Cap was met in Jun-24; Total of \$1,513,423.47 has been applied toward the loan balance. The loan was paid off 9/12/2024.</u></b>

**Notes to Accompany Bank Balances**

<p><b>1</b> <u>The Operating Petty Cash Account</u> is the account from which the Project Manager, Hilton, deposits the funds withdrawn from the Lockbox solely for the purpose of paying Operating Expenses, Pursuant to Section 3.07 of the Amended and Restated Operating Agreement.</p>	<p><b>6</b> <u>Tax Revenue Debt Service Fund</u> is maintained to meet the debt service requirements of the Conference Center Project Refunding Revenue Bonds Series 2013B, which is the portion of the bond offering secured by the tax revenue flow, without regard to revenue generated by operations of the Hotel and Convention Center Project. Total debt issued \$18,045,000. Full maturity of the debt - January 1, 2034. A complete schedule of interest and principal payments from the Bond offering Official Statement is attached.</p>	<p><b>11</b> <u>The Authority Reserve Fund</u> was established pursuant to Appendix A of the Amended and Restated Trust Indenture - the Authority Reserve Fund Requirement is an amount equal to \$500,000. Funds can be used to meet an obligation of the DRA when shortfalls exist in other accounts otherwise designated to pay that obligation but only after the Contingency fund is fully depleted.</p>
<p><b>2</b> <u>The Available Revenue Fund</u> was established pursuant to Section 5.03 of the Indenture. The Lockbox accounts is maintained pursuant to Section 5.05 of the Indenture and established pursuant to Section 2 of the Amended and Restated Cash Management and Lockbox agreement. At the beginning of each month the Lockbox is required to have the Operating Cost Set Aside Amount, which Pursuant to Appendix A of the Amended and Restated Trust Indenture - the Operating Cost Set Aside Amount means \$500,000.</p>	<p><b>7</b> <u>The Renewal and Replacement Fund</u> is the account for which capital projects are funded. The amount required to be deposited is calculated at 4% of the Monthly Gross Operating Revenue. The deficit is calculated on a cumulative basis from the beginning of the project, less cumulative deposits from the beginning of the project. The ending cash balance represents cumulative deposits from the beginning of the project, less cumulative expenditures from the beginning of the project. The amounts to fund the deficit flow into this account annually. The 4% Subordinate Renewal and Replacement Set Aside Amount requirement is Pursuant to Appendix A of the Amended and Restated Trust Indenture.</p>	<p><b>12</b> <u>The Cash Trap Fund</u> was established pursuant to Appendix A of the Amended and Restated Trust Indenture - the Cash Trap Fund Requirement means the amount of \$2,500,000. Funds can be used to meet an obligation of the DRA when shortfalls exist in other accounts otherwise designated to pay that obligation but only after the Contingency fund and Authority Reserve Fund are fully depleted.</p>
<p><b>3</b> <u>The Taxes and Insurance Fund</u> is maintained to ensure significant fund for annual insurance premiums when due. There is no requirement to maintain a minimum balance. Established pursuant to Section 5.03 of the Indenture.</p>	<p><b>8</b> <u>The Contingency Fund</u> holds an amount Pursuant to Appendix A of the Amended and Restated Trust Indenture - the Contingency Requirement means an amount equal to \$2,000,000. These funds can be used to meet an obligation of the DRA when shortfalls exist in other accounts otherwise designated to pay that obligation.</p>	<p><b>13a</b> <u>The Authority Revenue Fund - additional</u> holds amounts used to repay ACA Note Payable Pursuant to the Financing Agreement between ACA and the Authority. ACA was the Authority's bond issuer for the 2003 debt series. Principal amount is \$1,430,554.61 with 4.42% interest, bringing the total amount due to \$3,123,161. Maturity Date is January 1, 2044. Principal and Interest Payment are scheduled to commence on January 1, 2033. Funds flow annual only to the extent that there is combined excess in Funds described in #5 through #12, above. Amounts in the Excess Revenue Fund in each calendar year shall be applied as follows: (i) 50% of such amounts shall be deposited in the Authority Reserve Fund; and (ii) 50% of such amounts shall be paid by the Trustee to the County PFD in accordance with the County Interlocal Agreement. In addition, per the Indenture, the DRA may use amounts in the fund for other purposes. Planned uses include payments to the City of Vancouver per the Lot 24 Parking License Agreement and costs related to major renovation projects planned for 2020-2022.</p>
<p><b>4</b> <u>The Administrative Expense Fund</u> is maintained to ensure monthly administrative obligations are funded when due. There is no stated minimum amount required to be maintained. Established pursuant to Section 5.03 of the Indenture.</p>	<p><b>9</b> <u>The Management Fee Fund</u> is the account that will accumulate the funds that the Authority is obligated to pay, in arrears, subject to the availability of amounts in this fund the subordinate component of the management fee. The obligation to accrue the amount monthly becomes effective in calendar year 2016. The 2021 annual obligation is \$139,055. See Section 8 of the First Amendment to the Management Agreement outlines the on-going obligation.</p>	<p><b>13b</b> <u>The County PFD Fund</u> holds amounts used to repay liability to County PFD. This balance increases monthly with flow of County Sales Tax Credit Revenue. Established pursuant to Section 5.03 of the Indenture. Amounts are applied to interest first. Interest rate is 5.63%. Amounts in the Excess Revenue Fund in each calendar year shall be applied as follows: (i) 50% of such amounts shall be deposited in the Authority Reserve Fund; and (ii) 50% of such amounts shall be paid by the Trustee to the County PFD in accordance with the County Interlocal Agreement.</p>
<p><b>5</b> <u>The Project Debt Service Fund</u> is maintained to meet the debt service requirements of the Conference Center Project Refunding Revenue Bonds Series 2013A, which is the portion of the bond offering secured by the revenue flow of the Hotel and Convention Center Project. Total debt issued - \$41,185,000. Full maturity of the debt - January 1, 2044. A complete schedule of interest and principal payments from the Bond offering Official Statement is attached.</p>	<p><b>10</b> <u>The Subordinate Renewal and Replacement Fund</u> is the second available account for which capital projects are funded. The amount required to be deposited is calculated at 1% of Monthly Gross Operating Revenue. The deficit is calculated on a cumulative basis from the beginning of the project, less deposits made into the account less cumulative deposits from the beginning of the project. The ending cash balance represents cumulative deposits from the beginning of the project, less cumulative expenditures from the beginning of the project. The amounts to fund the deficit flow into this account annually. The 1% Subordinate Renewal and Replacement Set Aside Amount requirement is Pursuant to Appendix A of the Amended and Restated Trust Indenture.</p>	

**NOTE: City of Vancouver Commitment to Downtown Redevelopment Authority (DRA), with respect to the Vancouver Conference Center:** The City signed an agreement on December 1, 2003, to participate in the construction and operation of the Vancouver Conference Center, using tourism funds. In June 2013, the DRA refinanced the debt associated with the construction of the Vancouver Conference Center. As a part of the refinancing, the City agreed that, if, prior to each Interest Payment Date or Principal Payment Date, the amounts on deposit per the Trust Indenture are insufficient to pay the principal and interest due on the 2013 Project Revenue Bonds, upon notice of such deficiency from the Trustee, the City shall pay to the Trustee an amount equal to the deficiency; the maximum obligation on that payment date being the debt service amount of the 2013 Project Revenue Bonds due on such date. Any payment by the City of this conditional payment amount shall constitute a loan by the City to the DRA, with interest payable on such amounts at the rate or rates on the

### HILTON VANCOUVER WASHINGTON CAPITAL EXPENSE SUMMARY - June through September 2024

Contractor	Description of Work	Project	Amount	Invoice Date	Invoice Number	R&R#	Project#	Project Type
Hilton - repayment on Amex charge	Patio Furniture	Capital	\$ 12,720.08	5/20/2024	90372	601241	2024-516	Grays Patio
Hilton Supply Management	Espresso machine - Grays	Capital	\$ 20,010.45	5/14/2024	612204	601242	2024-0118	Grays
Ankrom Moisan	Hotel Water Mitigation services	231431	\$ 3,148.00	5/12/2024	90372	501241		Professional Services
Edward Don & CO; SICO America; HD Supply	Banquet Items (Part #2) - oval trays	Capital	\$ 14,484.32	5/13/2024	Multiple	701241	2024-0430	Capital Expense - Budgeted
Communications Direct Inc.	Two-way Radios	Capital	\$ 1,429.00	6/5/2024	IN179427	701242	2024-0202	Capital - budgeted
Hilton Vancouver Washington	Use Tax for two-way radios		\$ 121.71	7/8/2024	(reference #) IN179427	701242	2024-0202	
Hilton Supply Management	Banquet #2 - lighted bar backs	Capital	\$ 27,174.37	7/3/2024	613573	701243	2024-0430	Capital - budgeted
<b>JULY TOTAL</b>			<b>\$ 79,087.93</b>					
Ankrom Moisan	Water Mitigation - professional fees	Capital	\$ 9,357.50	7/18/2024	90933	801241	NA	Project #231431
<b>AUGUST TOTAL</b>			<b>\$ 9,357.50</b>					
Insight	IT Refresh	Capital	\$ 5,495.47	7/31/2024	927820153, 927820905	9012401	2024-0709	
<b>SEPTEMBER TOTAL</b>			<b>\$ 5,495.47</b>					
<b>TOTAL</b>			<b>\$ 93,940.90</b>					

Notes: There were no capital expenses processed in June